

ORDINANCE NO. O-06-25

AN ORDINANCE OF GRANTING APPROVAL OF ZONING MAP AMENDMENT Z-9928-2024, TO CHANGE THE ZONING OF 481 NORTH FREDERICK AVENUE, 101 LAKEFOREST BOULEVARD, AND 702 RUSSELL AVENUE FROM THE C-2 (GENERAL COMMERCIAL) ZONE TO THE CD (CORRIDOR DEVELOPMENT) ZONE, AND TO ESTABLISH APPROVAL OF A NEW SCHEMATIC DEVELOPMENT PLAN IN ACCORDANCE WITH SECTION 24-4.4 (H) (APPLICATION FOR CD ZONE AND SCHEMATIC DEVELOPMENT PLAN APPROVAL) OF THE CITY CODE

**Z-9928-2024**

BE IT ORDAINED, by the Mayor and Council of the City of Gaithersburg, in public meeting assembled, that they find the following facts from the evidence of record in Zoning Map Amendment Application Z-9928-2024:

A. Application Z-9928-2024 (“Application”), filed September 11, 2024 by VIKA Maryland, LLC (“Applicant”), requests to change the zoning of three properties on 6.49 acres from the C-2 (General Commercial) Zone to the CD (Corridor Development) Zone and establish a new schematic development plan. The subject site (“Site”) is located at 481 North Frederick Avenue, 101 Lakeforest Boulevard, and 702 Russell Avenue.

B. The Site, subject to the change of zoning, includes Tax Map FT42 parcels N319, N264, and N225, and is defined as:

Being all of the property acquired by Frederick Avenue Associates, A Maryland Limited Partnership, from Lakeforest Associates, a General Partnership, by deed dated September 8, 1977 and recorded in Liber 5014 at Folio 357 and being all of Parcel 14, Lakeforest, Montgomery Village, recorded as Plat No. 11703, being all of the property acquired by Professional Equity Limited Partnership, a Maryland Limited Partnership, from Professional Equity Group, by deed dated December 16, 1982 and recorded in Liber 5978 at Folio 300 and being all of Parcel B-1, Lakeforest, Montgomery Village, recorded as Plat No. 13061 and being all of the property acquired by Perry-Russell Limited Partnership, a Maryland Limited Partnership, from Lakeforest Associates, a General Partnership, by deed dated November 28, 1979 and recorded in Liber 5447 at Folio 295 and being all of Parcel B-2, Lakeforest, Montgomery Village, recorded as Plat No. 12711 all among the Land Records of Montgomery County, Maryland, and being more particularly described in the datum of Maryland State Grid North (NAD83/2011) as follows:

Beginning for the same at a point marking the southerly corner of said Parcel 14, said point marking the northeasterly line of North Frederick Avenue, Maryland 355, 120' right of way, recorded as Plat No. 11355 and State Road Commission Plat No. 44931 all recorded among the aforesaid Land Records, said point also marking the common corner of Parcel A, Northover Center, recorded as Plat No. 9280 among the aforesaid Land Records; thence leaving said common corner of Parcel A, Northover Center and running with said northeasterly line of North Frederick Avenue, the following two (2) courses and distances

1. North 43° 21' 49" West, 370.52 feet to a point; thence
2. North 01° 34' 01" East, 70.80 feet to a point on the easterly line of Lake Forest Boulevard, formerly Perry Parkway, 100' foot right of way, recorded on said Plat No. 11355; thence running with said easterly line of Lake Forest Boulevard, the following three (3) courses and distances
3. North 46° 29' 49" East, 424.60 feet to a point; thence
4. 85.12 feet along the arc of a tangent curve to the left, having a radius of 550.00 feet and a chord bearing and distance of North 42° 03' 49" East, 85.03 feet to a point; thence
5. North 81° 16' 42" East 70.84 feet to a point on the southerly line of Russell Avenue, 100' right of way, recorded as said Plat No. 11355; thence running with said southerly line of Russell Avenue the following three (3) courses and distances
6. South 53° 49' 24" East, 9.94 feet to a point; thence
7. 333.84 feet along the arc of a non-tangent curve to the left, having a radius of 650.00 feet and a chord bearing and distance of South 68° 32' 13" East, 330.18 feet to a point; thence
8. South 83° 15' 02" East, 78.23 feet to a point marking the common corner of Parcel 15, Lakeforest Regional Center, recorded as Plat No. 19227 among the aforesaid Land Records; thence leaving said southerly line of Russell Avenue and running with the common line of said Parcel 15, Lakeforest Regional Center, Parcel 16, Lakeforest Regional Center, recorded in said Plat No. 19227 and said Parcel A, Northover Center, the following two (2) courses and distances
9. South 06° 44' 58" West, 7.00 feet to a point; thence
10. South 45° 33' 48" West, 804.83 feet to the point of beginning, containing 282,814 square feet or 6.49252 acres of land.

C. The Site is currently developed with three office buildings surrounded by surface parking.

D. The schematic development plan submitted as part of the subject Application proposes to redevelop a portion of the Site with a new multi-family residential building with ground floor commercial uses, while retaining one of the existing office buildings. The buildings at 481 North Frederick Avenue and 101 Lakeforest Boulevard will be replaced with the new multi-family residential building, and the existing office building at 702 Russell Avenue will remain with minor site improvements. The proposed multi-family residential building will be up to 8 stories in height and include up to 410 residential units, with up to 20,100 square feet of commercial uses on the ground floor.

E. A joint public hearing conducted by the Mayor and City Council and Planning Commission on Z-9928-2024 was held on April 21, 2025. The Applicant gave a brief presentation outlining:

- Current conditions
- Schematic development plan overview, including layout, uses, and Site access and circulation
- Conceptual architecture and renderings
- Master Plan compliance
- Benefits to the community.

The City Council and Planning Commission posed questions and made comments regarding the following topics:

- Pedestrian connectivity to Lakeforest Mall
- Unit breakdown (inclusion of three-bedroom units)
- Building height
- Sunlight access in courtyard
- Phasing
- Retail location
- Traffic Study intersections studied.

Three members of the public testified during the hearing and made comments regarding the following:

- Expressed concerns with the lack of three-bedroom units
- Requested more than 15% MPDU units.

The Applicant submitted a separate supplementary statement responding to the questions raised during the joint public hearing.

F. The Planning Commission's Z-9928-2024 Application record closed at 5PM on Friday, May 23, 2025. The Commission made its recommendation for the Application on June 4, 2025, and forwarded their recommendation of approval of the rezoning and the schematic development plan to the Mayor and City Council with the following conditions applicable to the schematic development plan:

1. Applicant must provide 3-bedroom units in the final unit mix, that may in part be informed by a housing market study reviewed by the City prior to submission of any final site plan application.

2. Applicant must submit revised Schematic Development Plan, as requested, to satisfy all City staff clerical and graphic comments prior to signing of plans by Planning staff.

3. Applicant must submit final retaining wall plans and proposed authorized offsite easements that may be required for the wall construction for approval by the Department of Public Works prior to Planning Commission's final site plan review.

The Mayor and City Council's Z-9928-2024 Application record closed at 5PM on Friday, June 13, 2025.

G. REZONING: The City Council, during their policy discussion meeting on July 7, 2025, carefully reviewed the evidence of record and considered all submitted testimony, documents and correspondence presented, including the Planning Commission's recommendation for approval, and made the following findings with respect to the Application as required by § 24-4.2(B)(4) of the City Code:

*(4) Decision criteria for establishment of a floating zone by map amendment. The city council may approve the mapping of a CBD, CD, MCD, or MXD zone by map amendment only upon finding that:*

*(a) The application meets or accomplishes the purposes, objectives, and minimum standards and requirements of the zone; and*

*➤ Section 24-4.4(A) – Purpose*

*(1) Encourage development, redevelopment and renovation of declining or underutilized properties along the corridor.*

The Application requests rezoning to CD to facilitate the redevelopment of an underutilized 6.5 acre site along the corridor, proposing to replace aging, outdated office buildings surrounded by large surface parking lots with a new multi-family residential building with ground floor commercial uses. The CD zone will allow residential uses not allowed under the current C-2 zone, thus facilitating a denser mixed-use infill development on a prominent corner in the Frederick Avenue corridor.

*(2) Create a more sustainable development pattern and enhance the city's sense of place.*

The Application's rezoning to CD repositions the Site, allowing greater flexibility in uses and facilitating the redevelopment of outdated office buildings. Rezoning to CD will facilitate the associated schematic development plan, allowing a more sustainable mixed-use development with a denser, more walkable urban form. The proposed development will create synergy with the future Lakeforest Mall redevelopment, allowing residential development in close proximity to the future transit station. The proposed multi-family building and activated streetscape will create visual interest at the North Frederick Avenue/Lakeforest Boulevard intersection, enhancing the pedestrian experience and the City's sense of place. The project's prominent location at the intersection of North Frederick Avenue and Lakeforest Boulevard establishes the Property as a de facto gateway to the future redeveloped Mall Property and a visual landmark.

*(3) Promote revitalization within the Corridor by encouraging new private investment that also fosters equity and livability.*

The Application facilitates the associated schematic development plan that redevelops an underutilized site with a more dense mixed-use development. Rezoning to CD allows the introduction of new housing, including a required 15% affordable component, in direct proximity to the future transit station proposed as part of the Lakeforest Mall redevelopment. This fosters equity by creating housing opportunities for those that rely on transit for mobility. Proposed pedestrian infrastructure improvements will promote connectivity to the future transit center and Lakeforest Mall redevelopment as well as surrounding commercial uses, enhancing livability along the corridor. The schematic development plan proposes retaining the existing office building at 702 Russell Ave, thus preserving employment opportunities for residents.

*(4) Create clearly defined regulations that provide more certainty of what is feasible on a property and create opportunities to add value through density and mix of uses.*

The Application's rezoning to CD provides an opportunity to add value to the property by allowing greater flexibility in uses, including residential not allowed under the current C-2 zone. The CD zone will facilitate the associated schematic development plan that proposes a denser, more walkable urban development with a balanced mix of uses that is in close proximity to the future transit station and Lakeforest Mall redevelopment. The synergy created between this redevelopment and the future redevelopment of Lakeforest Mall adds value to the corridor and could help spur further investment.

*(5) Promote quality development through flexible development standards and a proactive design approach.*

Through the flexible development standards afforded by the CD zone, the associated schematic development plan proposes quality development at appropriate densities to facilitate a livable community. The associated schematic development plan brings in height and density not previously seen in this section of the Frederick Avenue corridor and allows a mix of uses not permitted under the current C-2 zone. The proposed development leverages the future transit station, facilitating a synergistic mix of residential, commercial, and office uses in a walkable community.

➤ *Section 24-4.4(B) - Minimum location requirements*

The Site meets the minimum locational requirements as it was identified for CD zoning under the 2009 Master Plan Land Use Element as Map Designation 36.

➤ *Section 24-160G.4. – Development standards*

The required associated schematic development plan meets the applicable development standards:

- The proposed FAR of 1.78 complies with the maximum 3.0 FAR permitted in the zone.
- The proposed 8-story, up to 120' building height complies with the maximum 10-story or 120' building height permitted in the zone.
- No minimum setbacks are required for this Site.
- Off Street Parking meets the requirements of Section 24-4.4(F) and Article 7 of the Zoning Ordinance.
- The proposed uses are allowed uses under the CD zone.

*(b) The rezoning application is in accord with recommendations in the applicable land use master plan for the property and is consistent with any special conditions or requirements contained in said land use master plan; and*

This Site is identified as Map Designation 36 in the 2009 Master Plan Land Use Element. The Master Plan recommends rezoning the property to CD and adopting a commercial-office-residential land use designation. Application Z-9928-2024 complies with these recommendations by rezoning to CD, and the associated schematic development plan proposes a mix of residential, commercial, and office uses.

(c) The rezoning application will be internally and externally compatible and harmonious with existing and planned land uses in the areas within the proposed rezoning and adjacent areas; and

The Application and the associated schematic development plan are compatible and harmonious with the surrounding existing and planned land uses. The residential component afforded by rezoning to CD is compatible and harmonious with the existing mix of commercial, medical office, retail and service uses in the surrounding area, which are conveniently located to serve the future residents within a short walk. The proposed density and height are compatible with the future redevelopment of Lakeforest Mall. The associated schematic development plan locates denser development and new residential uses in close proximity to the future transit station and new commercial and employment uses approved as part of the Lakeforest Mall redevelopment.

(d) That the rezoning, if approved, would reflect the goals and intent of the city's strategic plan.

The Application's proposed CD zoning will reflect the following strategies of the City's Strategic Plan:

- 10. Implement strategies that encourage reinvestment in aging commercial and multi-family properties.
  - Rezoning to CD facilitates the redevelopment of aging office buildings with a new residential mixed-use project.
- 8. Improve access and integration among employment nodes, residential areas, and amenities; and 14. Improve connectivity of people to services, activities, employment, and points of interest.
  - Rezoning to CD allows the location of residential uses in close proximity to the future transit station, thus connecting residents to jobs and amenities in other areas of the City via transit and improved pedestrian facilities.
- 11. Pursue strategies to provide a mix of housing options for a variety of income levels.
  - Rezoning to CD allows new residential uses, including affordable units on a current commercial site.

H. SCHEMATIC DEVELOPMENT PLAN: The City Council, during their policy discussion meeting on July 7, 2025, carefully reviewed the evidence of record and considered all submitted testimony, documents and correspondence presented, including the Planning Commission's recommendation for approval, and made the following findings with respect to Application Z-9928-2024 as required by § 24-12.5(F)(2) of the City Code:

*(2) Decision criteria for CD schematic development plan. The city council may approve a schematic development plan either as part of a zoning map amendment or standalone only upon the finding that:*

*(a) The plan meets or accomplishes the purposes, objectives and minimum standards and requirements of the zone; and*

➤ *Section 24-4.4(A) – Purpose*

*(1) Encourage development, redevelopment and renovation of declining or underutilized properties along the corridor.*

The Application proposes to redevelop an underutilized 6.5 acre site along the corridor, replacing aging, outdated office buildings surrounded by large surface parking lots with a new multi-family residential building with ground floor commercial uses. The CD zone will allow residential uses not allowed under the current C-2 zone, thus facilitating a denser mixed-use infill development on a prominent corner in the Frederick Avenue corridor.

*(2) Create a more sustainable development pattern and enhance the city's sense of place.*

The Application proposes the redevelopment of outdated office buildings with a more sustainable mixed-use development in a denser, more walkable urban form. The proposed development will create synergy with the future Lakeforest Mall redevelopment, allowing residential development in close proximity to the future transit station. The proposed multi-family building and activated streetscape will create visual interest at the North Frederick Avenue/Lakeforest Boulevard intersection, enhancing the pedestrian experience and the City's sense of place. The project's prominent location at the intersection of North Frederick Avenue and Lakeforest Blvd establishes the Property as a de facto gateway to the future redeveloped Mall Property and a visual landmark.

*(3) Promote revitalization within the Corridor by encouraging new private investment that also fosters equity and livability.*

The Application proposes redeveloping an underutilized site with a more dense mixed-use development. The schematic development plan introduces housing, including a required 15% affordable component, in direct proximity to the future transit station proposed as part of the Lakeforest Mall redevelopment. This fosters equity by creating housing opportunities for those that rely on transit for mobility. Proposed pedestrian infrastructure improvements will promote connectivity to the future transit center and the Lakeforest Mall redevelopment as well as surrounding commercial uses, enhancing livability along the corridor. The schematic development plan proposes retaining the existing office building at 702 Russell Ave, thus preserving employment opportunities for residents.

- (4) Create clearly defined regulations that provide more certainty of what is feasible on a property and create opportunities to add value through density and mix of uses.*

The Application proposes a mix of residential, commercial, and office uses and adds density to an underutilized site on the corridor. This denser, more walkable urban development with a balanced mix of uses will be in close proximity to the future transit station and Lakeforest Mall redevelopment. The synergy created between this redevelopment and the future redevelopment of Lakeforest Mall adds value to the corridor and could help spur further investment.

- (5) Promote quality development through flexible development standards and a proactive design approach.*

Through the flexible development standards afforded by the CD zone, the associated schematic development plan proposes quality development at appropriate densities to facilitate a livable community. The schematic development plan brings in height and density not previously seen in this section of the Frederick Avenue corridor and allows a mix of uses not permitted under the current C-2 zone. The proposed development leverages the future transit station, facilitating a synergistic mix of residential, commercial, and office uses in a walkable community. While the schematic development plan has been approved together with the application for rezoning to the CD zone, as required by Section 24-4.4(H), future amendments to the schematic development plan not coupled with any rezoning shall not be subject to the provisions of Section 24-12.3 for zoning map amendments but may be approved by resolution after a public hearing as the established procedures under Sections 24-4.2 and 24-12.5.

➤ *Section 24-4.4(B) - Minimum location requirements*

The Site meets the minimum locational requirements as it was identified for CD zoning under the 2009 Master Plan Land Use Element as Map Designation 36.

➤ *Section 24-160G.4. – Development standards*

The Application's schematic development plan meets all applicable development standards:

- The proposed FAR of 1.78 complies with the maximum 3.0 FAR permitted in the zone.
- The proposed 8-story, up to 120' building height complies with the maximum 10-story or 120' building height permitted in the zone.
- No minimum setbacks are required for this Site.
- Off street parking meets the requirements of Section 24-4.4(F) and Article 7 of the Zoning Ordinance.
- The proposed uses are allowed uses under the CD zone.

(b) The plan is in accord with the area master plan and any accompanying special condition or requirements contained in said master plan for the area under consideration; and

This Site is identified as Map Designation 36 in the 2009 Master Plan Land Use Element. The Master Plan recommends rezoning the property to CD and adopting a commercial-office-residential land use designation. Application Z-9928-2024 complies with these recommendations by rezoning to CD and the associated schematic development plan proposes a mix of residential, commercial, and office uses. The Master Plan recommends a “mixed use project with a balanced mix of commercial/office and residential uses” and encourages consolidation of smaller lots. The schematic development plan proposes consolidating two lots to add a new residential building with ground floor commercial uses and maintaining the existing office uses in the 702 Russell Avenue building, thus creating a balanced mix of uses. The Master Plan also states that any proposal should relate to the potential redevelopment of Lakeforest Mall. The schematic development plan leverages the future transit station, locating new residential uses within a walkable distance, and provides enhanced pedestrian infrastructure connecting residents to the future Lakeforest Mall redevelopment.

(c) The plan will be internally and externally compatible and harmonious with existing and planned land uses in the CD zoned area and adjacent areas; and

The Application and the associated schematic development plan are compatible and harmonious with the surrounding existing and planned land uses. The proposed residential component is compatible and harmonious with the existing mix of commercial, medical office, retail and service uses in the surrounding area, which are conveniently located to serve the future residents within a short walk. The proposed density and height are compatible with the future redevelopment of Lakeforest Mall. The schematic development plan locates denser development and new residential uses in close proximity to the future transit station and new commercial and employment uses approved as part of the Lakeforest Mall redevelopment.

(d) The existing or planned public facilities are adequate to service the proposed development contained in the plan; and

The Application meets this finding by satisfying the City’s Adequate Public Facilities Ordinance (APFO) for water and sewer service, fire response time, school capacity, and traffic impacts, as follows:

Water and Sewer Services and Public Utilities-

The Site is currently developed with both public water and public sewer service and has WSSC categories of S-1 and W-1.

#### Fire and Emergency Services-

The Site is within the ten-minute response areas of four Montgomery County Fire and Rescue stations: Station 8 (Gaithersburg), Station 28 (Gaithersburg/Muncaster), Station 31 (Rockville) and Station 34 (Germantown/Milestone).

#### Schools-

The Site is within the Gaithersburg Cluster and is served by Gaithersburg Elementary, Gaithersburg Middle, and Gaithersburg High. According to the FY 25 City APFO Schools Capacity Memo, no residential development moratoriums are in place as capacity exists at all schools serving the City. Additionally, none of the schools serving the Site are currently subject to the utilization premium payment fee.

#### Traffic Impacts-

The Applicant submitted a Traffic Impact Study (TIS), designated as application number TRF-9929-2024, performed by Wells and Associates, Inc. The analysis concludes that under total future conditions, all of the study intersections will continue to operate at acceptable CLV standards during both the AM and PM peak hours and no mitigation is required. The Department of Public Works has reviewed and approved the traffic impact study.

*(e) That the plan, if approved reflect the goals and intent of the city's strategic plan.*

The Application will reflect the following strategies of the City's Strategic Plan:

- 10. Implement strategies that encourage reinvestment in aging commercial and multi-family properties.
  - The schematic development plan proposes the redevelopment of aging office buildings with a new residential mixed-use project.
- 8. Improve access and integration among employment nodes, residential areas, and amenities; and 14. Improve connectivity of people to services, activities, employment, and points of interest.
  - The schematic development plan proposes the location of residential uses in close proximity to the future transit station, thus connecting residents to jobs and amenities in other areas of the City via transit and improved pedestrian facilities.
- 11. Pursue strategies to provide a mix of housing options for a variety of income levels.
  - The schematic development plan proposes new multi-family residential uses, including affordable units on a current commercial site.

## Conclusion

Application Z-9928-2024 conforms to the purposes of the CD Zone, the recommendations in the 2009 City Master Plan Land Use Element, and Strategies and Objectives defined in the City's Strategic Plan. The schematic development plan proposes redeveloping an underutilized site and will be compatible with existing surrounding uses and the future redevelopment of Lakeforest Mall. The introduction of residential in close proximity to the future transit center and the proposed pedestrian infrastructure improvements foster equity and promote a livable community.

Based upon the Applicant's testimony, exhibits of record, reasoning and findings cited above, Application Z-9928-2024 is granted with the following three conditions applicable to the schematic development plan:

1. Applicant must provide 3-bedroom units in the final unit mix, that may in part be informed by a housing market study reviewed by the City prior to submission of any final site plan application.
2. Applicant must submit revised Schematic Development Plan, as requested, to satisfy all City staff clerical and graphic comments prior to signing of plans by Planning staff.
3. Applicant must submit final retaining wall plans and proposed authorized offsite easements that may be required for the wall construction for approval by the Department of Public Works prior to Planning Commission's final site plan review.

ADOPTED by the City Council this 7th day of July, 2025.

Signed by:

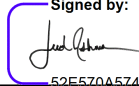


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Jud Ashman, MAYOR and  
President of the Council

DELIVERED to the Mayor of the City of Gaithersburg this 7th day of July, 2025.  
APPROVED by the Mayor of the City of Gaithersburg this 7th day of July, 2025.

Signed by:  
  
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Jud Ashman, MAYOR

THIS IS TO CERTIFY, that the foregoing Ordinance was adopted by the City Council of the City of Gaithersburg, in public meeting assembled on the 7th day of July, 2025; and that the same was APPROVED by the Mayor of the City of Gaithersburg on the 7th day of July, 2025. This Ordinance will become effective on the 27th day of July, 2025.

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Tanisha Briley, City Manager